



IN REPLY
REFER TO

MMP
PROCLTR 97-30

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

SEP 26 1997


MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: General Purpose Equipment

The purpose of this PROCLTR is to reiterate the existing policy in the FAR for providing facilities to contractors and the continuing need to monitor government property usage. There are ongoing DoD efforts to improve government property management practices and reduce the amount of government property in the hands of our contractors. Of particular concern is general purpose equipment that is used for administrative support such as electronic equipment which is likely to be obsolete or of little value to the government by contract completion. FAR 45.302-1(a) stipulates that contractors shall furnish all facilities required for performing Government contracts except as provided in that subsection. You are also reminded that FAR 31.202 generally precludes a contractor from allocating general purpose equipment acquisition costs directly to a government contract if costs incurred for this equipment have been charged as indirect costs.

On this basis, we request each DLA Field Activity review its procedures to ensure compliance with the existing policy in FAR 31.202 and 45.302, and with the supplemental guidance furnished in DLAD Subpart 45.3. The DLAD provides the required certification and approval levels for providing facilities to contractors when required for contract performance.

This PROCLTR is effective immediately and, for purposes of record keeping, expires upon dissemination. Any questions on this matter may be addressed to Mr. John King, MMPON, at (703) 767-1428 or DSN 427-1428.


ROBERT L. MOLINO
Executive Director
(Procurement)